

Related Change Request (CR) #: 3584

MLN Matters Number: MM3584

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Related CR Transmittal #: 509

Effective Date: July 1, 2005

Implementation Date: July 5, 2005

Number of Drug Pricing Files That Must Be Maintained Online for Medicare by Durable Medical Equipment Regional Carriers (DMERCs)

Note: This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

Provider Types Affected

Durable Medical Equipment (DME) Suppliers that bill Medicare DMERCs

Provider Action Needed

None, this article is informational only.

Beginning January 1, 2005, the payment limit for Part B drugs and biologicals will be based on the Average Sales Price (ASP). Drugs will be paid based on either the lower of the submitted charge or the ASP and will continue to be priced based on date of service.

To facilitate the implementation of this ASP pricing methodology, CR 3584, beginning on July 1, 2005, increases (to eight) the number of online fee screens/pricing files that DMERC systems must maintain in order to determine the amount to pay for fee-for-service drug claims. This increase will allow DMERCs to maintain 2 years of drug pricing files to facilitate the implementation of the ASP pricing methodology.

Additional Information

The official instruction issued to your DMERC can be found at

<http://www.cms.hhs.gov/Transmittals/downloads/R509CP.pdf> on the CMS web site.

If you have any questions, please contact your carrier/intermediary at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.pdf> on the CMS web site.

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